

Vehicle Recovery - UK - September 2016

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“The market for vehicle recovery services continues to grow, boosted by a combination of factors of which growth in the number of cars on the road is amongst the most important. Premium prices have performed somewhat poorly in recent years, being hampered in part by the large number of policies offered free or at a reduced price with the purchase of other products and services.”

Neil Mason, Head of Retail Research

This report looks at the following areas:

- Solutions required to overcome pressure to compete on price
- Broadening your customer base is essential
- Is telematics the future?

Scope of this Report

This Report covers vehicle breakdown recovery services available to private car owners, whether on a direct or indirect basis, as is common in the marketplace.

The value of the vehicle recovery services market is made up of fees from memberships, paid either directly or indirectly, as well as revenue from the ad hoc sector.

Membership fees comprise any premiums paid to ensure that a vehicle or person is insured in the event of a breakdown. Fees can be paid either direct by the consumer to the recovery company or indirectly through an intermediary that will offer insurance to the consumer often as part of a bundle of services.

The value of the ad hoc sector is revenue from motorists who are not members of an organisation and therefore use the services of a recovery operator – normally an independent – on an informal or ad hoc basis.

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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AA dominates the market

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...while those in lower socio-economic groups are the least positive

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